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REMARKS

Applicants respectfully request reconsideration of the application. In the above amendment, Applicants have canceled claims 40-51 and 67-68 without prejudice and reserve the right to introduce them in a related application. Without acquiescing to the rejections, Applicants have canceled these claims to focus the issues for appeal.

Rejections Under 102(e)

Remaining claims 63-66 stand rejected under 35 U.S.C. 102(e) as being anticipated by US Patent Application Publication No. US 2003/0011684 A1 to Narayanaswami et al.

Claim 63

Claim 63 recites that the steganographic encoding is performed automatically upon transfer of the media signal to an external computer. The cited passages in Narayanaswami do not disclose automatically steganographically encoding media signal data with digital watermark data upon transfer of the media signal from a media signal recorder to an external computer as claimed.

The Office appears to have taken contradicting positions in applying Narayanaswami to claim 63. First, it contends that the claimed media signal recorder and claimed computer correspond to elements 128 (camera electronics) and 102 (CPU) in Fig. 1 of Narayanaswami. Second, it states that the serial port interface 140 and parallel port interface 144 are used for downloading information <u>from the camera</u> 100 to an external computer (not shown) as discussed in paragraph 41.

The first and second points contradict because an external computer that might be connected to the camera 100 via the serial or parallel interfaces 140, 144 is not the same as the CPU 102. Further, Narayanaswami does not teach automatic steganographic encoding upon transfer of a media signal from the camera 100 to an external computer via the serial or parallel port interfaces 140, 144.

We now turn back to the Office's first point that camera electronics 128 correspond to the claimed media signal recorder and CPU 102 corresponds to a computer external to the camera electronics. The camera electronic circuitry 128 is not a "media signal recorder" as claimed. In paragraph 34, Narayanaswami states that the camera electronic circuitry controls and measures

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various parameters. Narayanaswami does not teach that the camera electronic circuitry 128 functions as a media signal recorder as claimed. As stated in paragraph 33, Fig. 1 of Narayanaswami does not show means for receiving and converting light energy into suitable electric signals. In sum, it is not accurate to conclude that Narayanaswami teaches automatically steganographically encoding a media signal upon transfer from the cameral electronic circuitry 128 to the CPU 102 because the camera electronic circuitry 128 does not record a media signal or transfer it to the CPU 102. Moreover, Narayanaswami does not disclose that the CPU 102 is external to a media signal recorder.

Claims 64-66 are patentable for the same reasons as claim 63.

Concluding Remarks

Narayanaswami fails to disclose, teach or suggest all of the elements of the pending claims. Therefore, the pending claims are patentable over Narayanaswami.

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